

Message Text

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INFO AMCONSUL BELIZE PRIORITY
AMEMBASSY BOGOTA PRIORITY
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AMEMBASSY BRASILIA PRIORITY
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E.O. 11652: N/A

TAGS:EFIN, EAID, XL

SUBJECT: U.S. STATEMENT AT CONCLUDING SESSION OF CARIBBEAN GROUP MEETING

1. HEREWITH IS TEXT OF STATEMENT BY ASSISTANT SECRETARY TODMAN, ALTERNATE CHAIRMAN OF U.S. DELEGATION, AT CONCLUDING SESSION OF FIRST MEETING OF CARIBBEAN GROUP FOR COOPERATION IN ECONOMIC DEVELOPMENT HELD AT WORLD BANK HEADQUARTERS IN WASHINGTON JUNE 19-24, 1978:

2. QUOTE

MR. CHAIRMAN:

GOVERNOR GILLIGAN, THE CHAIRMAN OF THE U.S. DELEGATION TO THIS MEETING, HAS ASKED ME TO EXPRESS TO YOU AND OUR FELLOW DELEGATES HIS SINCERE REGRETS THAT HE IS UNABLE TO BE WITH US TODAY DUE TO UNAVOIDABLE COMMITMENTS ELSEWHERE. HIS LOSS, HOWEVER, IS MY GAIN BECAUSE IT GIVES ME THE OPPORTUNITY TO DELIVER THE CLOSING STATEMENT OF THE U.S. DELEGATION TO THIS FIRST MEETING OF THE CARIBBEAN GROUP FOR COOPERATION IN ECONOMIC DEVELOPMENT.

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I TAKE PARTICULAR SATISFACTION FROM BEING ABLE TO ADDRESS THIS SESSION BECAUSE, AS MANY OF YOU KNOW, I WILL LEAVE WASHINGTON SHORTLY TO TAKE UP A POST ABROAD. INDEED, THIS MAY WELL BE MY LAST OFFICIAL STATEMENT IN MY CURRENT POSITION. I FIND THIS FITTING BECAUSE FEW SUBJECTS HAVE OCCUPIED MORE OF MY PERSONAL ATTENTION AND CONCERN OVER THE PAST 18 MONTHS THAN LAUNCHING THE NEW CARIBBEAN INITIATIVES OF THE CARTER ADMINISTRATION, AND NO SINGLE PROJECT HAS CARRIED WITH IT MORE OF MY OWN HOPES AND EXPECTATIONS THAN THE LAUNCHING OF THE CARIBBEAN GROUP UNDER THE LEADERSHIP OF THE WORLD BANK AND ITS SISTER INTERNATIONAL FINANCIAL INSTITUTIONS.

MY HOPES AND EXPECTATIONS AND THOSE OF MY GOVERNMENT HAVE BEEN WELL MET BY WHAT WE CONSIDER TO BE THE GREAT SUCCESS OF THIS MEETING. NOT ONLY ARE THE SPECIFIC TARGETS ESTABLISHED BEFORE THE MEETING BEING MET, BUT THE MEETING HAS DEMONSTRATED A NEW SPIRIT OF COOPERATION ON BOTH THE REGIONAL AND SUBREGIONAL LEVELS WHICH IS TRULY REMARKABLE. COMING FROM THE CARIBBEAN MYSELF, I HAVE A SENSE OF THE HISTORY OF THE REGION. WE BELIEVE THAT THIS MEETING AND THE MULTILATERALIZATION OF FOREIGN ASSISTANCE FLOWS CONSTITUTES THE BEGINNING OF A NEW STAGE IN THE HISTORY OF THE COUNTRIES OF THE CARIBBEAN; A STAGE CHARACTERIZED BY THE STRENGTHENING OF OLD TIES AND THE DEVELOPING OF NEW ONES BOTH WITHIN THE CARIBBEAN AND FURTHER AFIELD. WHILE THE AMOUNTS OF ASSISTANCE

GENERATED BY THE CARIBBEAN GROUP INITIATIVE WILL MEET A CRITICAL NEED, WE BELIEVE THAT IT IS THE HABIT OF COOPERATION AND IMPROVED INTERNAL POLICIES AND ADMINISTRATION THAT WILL LEAD TO RAPID ECONOMIC DEVELOPMENT AND SELF-SUSTAINING GROWTH IN THE REGION FAR MORE THAN FOREIGN ASSISTANCE FLOWS AS SUCH.

CLEARLY ONE HIGHLIGHT OF THIS MEETING HAS BEEN THE UNCLASSIFIED

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CARIBBEAN DEVELOPMENT FACILITY, A NEW AND EFFECTIVE ASSISTANCE INSTRUMENT. IT ADDRESSES CERTAIN IMMEDIATE NEEDS WHICH MUST BE ATTENDED TO IF WE ARE TO EMBARK WITH CONFIDENCE ON THE DIFFICULT TASK OF STRUCTURING SELF-SUSTAINING GROWTH WITH EQUITY IN THE CARIBBEAN. DISCUSSIONS OF MEDIUM TERM ECONOMIC POLICIES AND PROGRAMS THUS HAVE BEEN INTERWOVEN WITH THOSE CONCERNING THE CARIBBEAN DEVELOPMENT FACILITY.

IN THIS REGARD, WE HAVE BEEN FAVORABLY ENCOURAGED BY THE SELF-HELP EFFORTS ANNOUNCED BY THE CARIBBEAN COUNTRIES TO ADDRESS THEIR ECONOMIC AND DEVELOPMENT PROBLEMS. WE ARE ALSO HIGHLY ENCOURAGED BY THE DECLARED INTENTIONS

OF OTHER DONORS TO CONTRIBUTE SUBSTANTIAL RESOURCES TO THE FACILITY.

I AM THUS PLEASED TO CONFIRM THAT THE UNITED STATES WILL PROPOSE TO OUR CONGRESS A DOLS20 MILLION CONTRIBUTION FOR THE FACILITY FROM OUR BUDGET FOR THE CURRENT FISCAL YEAR. SUBJECT TO THE CONCURRENCE OF OUR CONGRESS IN THIS CONTRIBUTION, WE PROPOSE TO CHANNEL OUR CDF ASSISTANCE TO THE CARICOM COUNTRIES IN THE FORM OF A CONCESSIONAL LOAN TO THE CARIBBEAN DEVELOPMENT BANK FOR RELENDING TO ITS ELIGIBLE MEMBER COUNTRIES. THE CARIBBEAN GROUP SPONSORING AGENCIES HAVE RECOMMENDED HOW THIS U.S. CONTRIBUTION SHOULD BE UTILIZED.

AS FOREIGN MINISTER HENRY FORDE OF BARBADOS POINTED OUT YESTERDAY, SUCH AN ALLOCATION IS NECESSARY TO MEET THE PRESSING PROBLEMS OF SEVERAL OF THE MAJOR RECIPIENT COUNTRIES IN THE REGION.

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WE, AND I KNOW OTHER DONORS AS WELL, RECOGNIZE THAT THERE IS A HEAVY EMPHASIS ON THE LARGER AND MORE POPULOUS COUNTRIES IN THE ENGLISH-SPEAKING CARIBBEAN IN THE OVERALL ALLOCATION OF ASSISTANCE RECOMMENDED BY THE WORLD BANK AND ITS SISTER INSTITUTIONS FOR THIS FIRST YEAR

OF THE CARIBBEAN DEVELOPMENT FACILITY. HOPEFULLY, ONCE THESE CRITICAL PROBLEMS HAVE BEEN SUCCESSFULLY ATTACKED, THE CARIBBEAN GROUP CAN TURN ITS ATTENTION TO THE PRESSING PROBLEMS OF SOME OF THE OTHER CARIBBEAN NATIONS REPRESENTED HERE. HOPEFULLY ALSO, BY THAT TIME THE PLANS AND PROGRAMS OF THESE OTHER COUNTRIES, PARTICULARLY THE SMALL STATES OF THE EASTERN CARIBBEAN, CAN BE MORE FULLY SUPPORTED.

WE ARE PARTICULARLY GRATIFIED TO NOTE THE STRONG SUPPORT GIVEN BY ALMOST ALL OF THESE LESS DEVELOPED COUNTRIES TO THE CONCEPT OF COMMON SERVICES DURING THIS MEETING, AND WE WILL BE WORKING WITH YOUR GOVERNMENTS AS WELL AS OTHER DONORS AND THE RELEVANT FINANCIAL INSTITUTIONS TO SEE HOW WE CAN SUPPORT IMPROVED COMMON SERVICES IN THAT AREA.

WE HAVE PREVIOUSLY STATED THAT THE UNITED STATES WOULD MAKE EVERY EFFORT TO CONTRIBUTE UP TO 30 OF THE INITIAL YEAR REQUIREMENTS OF THE FACILITY, AS ORIGINALLY ESTIMATED, IF OTHER DONORS WOULD PROVIDE THE REMAINING 70. WE STILL HOPE TO BE ABLE TO DO THAT SINCE OUR NEXT FISCAL YEAR WILL BEGIN BEFORE THE END OF THE CDF FISCAL YEAR. THE APPROPRIATIONS FOR OUR FY 1979 ARE NOW BEFORE THE CONGRESS. AS SOME OF THE DELEGATES

TO THIS MEETING MAY HAVE READ IN THE NEWSPAPERS THIS WEEK, THERE IS CONSIDERABLE DEBATE ON THE APPROPRIATE LEVEL OF THE A.I.D. APPROPRIATION FOR 1979. I AM OPTIMISTIC THAT WE STILL HAVE ADEQUATE RESOURCES, EITHER A.I.D. OR PL-480 FOOD COMMODITIES, TO MEET HIGH PRIORITY UNCLASSIFIED

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NEEDS, AND OUR CARIBBEAN PROGRAMS CLEARLY FALL WITHIN THIS CATEGORY, BUT YOU WILL UNDERSTAND THAT WE CANNOT AT THIS PARTICULAR STAGE BE TOO PRECISE ABOUT WHAT MAY HAPPEN IN THE COMING YEAR.

WHILE IT WAS NOT POSSIBLE TO HAVE SUBGROUP MEETINGS ON HAITI AND THE DOMINICAN REPUBLIC IN THE COURSE OF THIS MEETING YOU SHOULD KNOW, MR. CHAIRMAN, WE ARE IN THE MIDST OF DISCUSSIONS WITH THE GOVERNMENT OF HAITI CONCERNING A SIZABLE PL-480 TITLE III PROGRAM. THIS PROGRAM PROVIDES FOOD ASSISTANCE ON A GRANT BASIS ON CONDITION THAT COUNTERPART FUNDS GENERATED BY THE SALES ARE UTILIZED FOR PRIORITY DEVELOPMENT PURPOSES BENEFITTING THE POORER CITIZENS IN THAT COUNTRY. ASSUMING SUCCESSFUL COMPLETION OF NEGOTIATIONS WITH THE GOVERNMENT OF HAITI AND THE FINAL APPROVAL OF THE PROGRAM BY THE U.S. GOVERNMENT WITHIN THE FY 1979 PROGRAM, A SIGNIFICANT PORTION OF THE COUNTERPART FUNDS UNDER THIS PROGRAM COULD BE UTILIZED FOR THE TYPE OF REQUIREMENTS ADDRESSED

BY THE CARIBBEAN DEVELOPMENT FACILITY.

THE SUBGROUP MEETING FOR THE DOMINICAN REPUBLIC IS NOT SCHEDULED UNTIL AFTER THE BEGINNING OF OUR NEXT FISCAL YEAR. AT THAT TIME WE WILL WISH TO REVIEW THAT COUNTRY'S DEVELOPMENT PROGRAM AND ASSISTANCE REQUIREMENTS WITH ITS REPRESENTATIVES AND WITH OTHER DONORS. WITHIN THE CONTEXT OF OUR FY 1979 AVAILABILITIES, WE WILL EXAMINE WHAT REQUIREMENTS OF THE DOMINICAN REPUBLIC MIGHT BE MET BY UTILIZING ADDITIONAL PL-480 OR DEVELOPMENT ASSISTANCE RESOURCES.

AS I MENTIONED EARLIER, THE CARIBBEAN DEVELOPMENT FACILITY IS JUST ONE OF THE HIGHLIGHTS OF THIS MEETING. IT IS UNCLASSIFIED

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CRITICALLY IMPORTANT IN THE SHORT TERM, BUT SEVERAL ASPECTS OF THIS WEEK'S MEETING HOLD EVEN GREATER LONG TERM PROMISE.

OVERALL, THE CONSTRUCTIVE AND COOPERATIVE SPIRIT OF THIS MEETING BODES WELL FOR THE FUTURE. THE FRANK EXCHANGE OF VIEWS AND INFORMATION IS ESSENTIAL TO DESIGNING COHERENT PROGRAMS AND MAXIMIZING DEVELOPMENT ASSISTANCE AND INCREASING ITS EFFECTIVENESS. WE WELCOME THE DISTINGUISHED BRITISH REPRESENTATIVE'S SUGGESTION THAT DONORS CONSIDER CO-FINANCING PRIORITY

DEVELOPMENT PROJECTS AND WE STAND READY TO CONSIDER SPECIFIC PROPOSALS IN THIS REGARD.

OF CONSIDERABLE IMPORTANCE AT THIS WEEK'S MEETING, AND PARTICULARLY DURING THE SUBGROUP MEETINGS, WERE THE DISCUSSIONS AT THE PROJECT LEVEL. IT IS THESE ACTIVITIES WHICH LEAD IN THE MEDIUM AND LONGER TERM TO EXPAND PRODUCTIVE CAPACITY, PRODUCE FOOD, PROVIDE NEW JOB OPPORTUNITIES, EXTEND NEW EDUCATION AND HEALTH SERVICES AND PROVIDE NECESSARY SHELTER. AS THE WORLD BANK HAS ESTIMATED IN ITS REPORTS, ABOUT \$350 MILLION PER YEAR IN EXTERNAL ASSISTANCE DISBURSEMENTS IN THE REGION WILL BE THROUGH SUCH PROJECT ASSISTANCE. THE PRELIMINARY IDENTIFICATION OF NEW HIGH PRIORITY PROJECT ASSISTANCE REQUIREMENTS IS THUS MOST IMPORTANT TO US AS WE MOVE TO DESIGN OUR FUTURE YEAR ASSISTANCE PROGRAMS.

ABOVE ALL, MR. CHAIRMAN, I WOULD CITE THE COMMITMENT DEMONSTRATED TO ACHIEVING INCREASED COOPERATION AT THE REGIONAL AND SUBREGIONAL LEVELS. I HAVE ALREADY NOTED THE CONSTRUCTIVE APPROACH TO THE QUESTION OF COMMON SERVICES AMONG THE LESS DEVELOPED COUNTRIES AND WOULD ALSO NOTE THE POSITIVE EMPHASIS ON AGRICULTURAL RESEARCH AND TRANSPORTATION COORDINATION ON

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A REGION-WIDE BASIS. I HAVE ALSO DETECTED A GENERAL AGREEMENT THAT THE PRINCIPAL REGIONAL INSTITUTIONS SHOULD BE STRENGTHENED AT EVERY OPPORTUNITY AND BROADENED GRADUALLY TO BENEFIT ALL THE PEOPLE OF THE CARIBBEAN. FINALLY, IT IS A GREAT SOURCE OF SATISFACTION TO ME TO SEE THE COUNTRIES OF THE CARIBBEAN REACHING OUT TO ONE ANOTHER AND FORMING ASSOCIATIONS BEYOND THOSE WITH THEIR CLOSEST NEIGHBORS. ONCE AGAIN, I WOULD NOTE THAT THE REMARKS OF THE DISTINGUISHED FOREIGN MINISTER OF BARBADOS AT THE CONCLUSION OF THE SUBGROUP MEETING ON HIS COUNTRY YESTERDAY LAY THE FRAMEWORK FOR ADDRESSING COMPREHENSIVELY THE ECONOMIC DEVELOPMENT OF THE REGION IN A VIABLE AND EFFECTIVE MANNER.

MR. CHAIRMAN, I BELIEVE WE TRULY HAVE COME A LONG WAY IN A VERY BRIEF TIME. YET IT IS JUST A BEGINNING. THE OBJECTIVES WE HAVE AGREED TO PURSUE WILL NOT BE ACHIEVED EASILY. NEW PROJECT PROPOSALS WILL HAVE TO BE CAREFULLY ANALYZED BEFORE ASSISTANCE CAN BE COMMITTED. THE FORMULATION OF NEW REGIONAL COOPERATION EFFORTS WILL TAKE CONSIDERABLE EFFORT AND EVEN A LONG TIME BEFORE THE FRUITS ARE FULLY PERCEIVED.

BUT I AM CONVINCED THAT WE ARE ON THE RIGHT COURSE AND I AM CONFIDENT THAT TOGETHER WE CAN ACHIEVE OUR OBJECTIVES.

TO ALL THE DELEGATIONS, I EXTEND MY APPRECIATION AND CONGRATULATIONS FOR YOUR PRODUCTIVE LABORS HERE. I AM CERTAIN THEY WILL SURELY BE CONTINUED IN THE MONTHS TO COME.

TO YOU, MR. CHAIRMAN, TO YOUR COLLEAGUES AT THE BANK, I EXPRESS OUR HEARTFELT THANKS AND ADMIRATION FOR YOUR
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SPLENDID JOB OF PREPARATION AND SUPPORT.

THANK YOU VERY MUCH. END QUOTE.

3. ADDRESSEES MAY DRAW ON TEXT IN DISCUSSIONS WITH
HOST GOVERNMENT ON CARIBBEAN GROUP. VANCE

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